

COX COMMUNICATIONS ARIZONA, LLC

COCHISE COUNTY

CABLE TELEVISION LICENSE AGREEMENT

Effective August 3, 2014

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CABLE TELEVISION LICENSE AGREEMENT

This Cable Television License Agreement (the "License") is made and entered into as of the 3rd day of August, 2014, by and between Cochise County (the "County") and Cox Communications Arizona, LLC, a Delaware limited liability company ("Licensee").

RECITALS

- A. The County is authorized to grant, renew, deny, and terminate Licenses for the installation, operation, and maintenance of Cable Systems and otherwise regulate Cable Services within the County boundaries by virtue of federal and state statutes, by the County's police powers, by its authority over its public rights-of-way, and by other County powers and authority.
- B. Licensee has maintained and operated a Cable System in the County pursuant to the Existing License issued to CoxCom, Inc. d/b/a Cox Communications Desert Valley, a Delaware corporation, effective at midnight on August 2, 1999. Through a series of transactions, CoxCom, Inc. converted into CoxCom, LLC, a Delaware limited liability company as of July 1, 2011, and into Cox Communications Arizona, LLC, a Delaware limited liability company as of December 31, 2011, on which date Cox Communications Arizona, LLC, became the Licensee under the Existing License. The Existing License expires by its terms at 11:59 p.m. on August 2, 2014.
- C. Upon the expiration of the Existing License, Licensee and the County desire to enter into a new license to provide Cable Services within the County.
- D. The County has reviewed Cable Service in the County, including but not limited to a review of Licensee, Licensee's record of service in the County, Licensee's facilities, the cable-related community needs of the County for both the present and future, Licensee's ability to carry out its commitments, and Licensee's overall financial, legal, and technical qualifications to hold a license from the County.
- E. Based on such review, the County hereby finds that it would serve the public interest to grant a license on the terms and conditions hereinafter set forth, and Licensee agrees to obtain a license under these conditions.

AGREEMENT

In consideration of the foregoing recitals, which are incorporated herein by reference, the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows.

1. **Definitions.** For the purposes of this License, the following terms, phrases, words, abbreviations, and their derivations have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory, not merely directory. All references to days are to calendar days, unless otherwise specified.

1.1. "Affiliate" means any Person who owns or controls, is owned by or controlled by, or is under common ownership or control with Licensee.

1.2. "Cable Act" means the Cable Communications Policy Act of 1984, as amended, including the Telecommunications Act of 1996.

1.3. "Cable Service" means the transmission to Subscribers of video programming or other programming services and Subscriber interaction, if any, that is required for the selection or use of the video programming or other programming services.

1.4. "Cable System" means a facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Services, that includes video programming, and that is provided to multiple Subscribers within the County, but such term does not include (a) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (b) a facility that serves Subscribers without using any public right-of-way; (c) a facility of a common carrier that is subject, in whole or in part, to the provisions of Title II of the Communications Act of 1934, except that such facility shall be considered a Cable System to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (d) an open video system that complies with 47 U.S.C. § 653; or (e) any facility of an electric utility used solely for operating its electric utility systems. Any reference to Licensee's Cable System refers to the Cable System as a whole or any part thereof. As used above, "interactive on-demand services" means a service providing video programming to Subscribers over switched networks on an on-demand, point-to-point basis, but does not include services providing video programming prescheduled by the programming provider.

1.5. "County Building" means a building that is occupied by the County or owned by the County, including any fire station or police station, and is used for public purposes.

1.6. "County Board of Supervisors" means the present governing body of the County or any future body constituting the legislative body of the County.

1.7. "County Administrator" means the County Administrator or the County Administrator's designee.

1.8. "Competitor" means any Person entering into the Public Streets for the purpose of constructing or operating a Cable System, or for the purpose of providing Cable Service or video programming service to any part of the License Area, including by means of an "open video system" (as such term is defined in the Cable Act).

1.9. "Confidential Information" means any and all technical data, materials, reports, and other information owned by or developed by, or on behalf of Licensee and/or its Affiliates, any information that relates to the Cable System, and any and all financial data and information relating to Licensee's business, that Licensee discloses in writing, orally, visually, or through some other media, or that the County learns or obtains through observation, analysis, compilation, or other study of such information, data, or knowledge, except any portion thereof that (a) is known to the County at the time of the disclosure, as evidenced by its written records

and was not acquired by the County on a confidential basis; (b) is disclosed to the County by a third party having a right to make such disclosure; (c) becomes published, or otherwise publicly known through no fault of the County; or (d) is independently developed by or for the County without use of Confidential Information disclosed hereunder as evidenced by its written records.

1.10. "Existing License" means the Cable Television License with the effective date August 2, 1999 by and between CoxCom, Inc. and the County.

1.11. "FCC" means the Federal Communications Commission or its designated representative.

1.12. "Gross Revenues" means all cash, credits, property of any kind or nature, or other consideration, less related bad debt not to exceed one and one-half percent annually, that is received directly or indirectly by Licensee, its affiliates, subsidiaries or parent or any person, firm or corporation in which Licensee has a financial interest or that has a financial interest in Licensee and that is derived from Licensee's operation of its Cable System to provide cable service in the County. Gross revenues include all revenue from charges for Cable Service to Subscribers and all charges for installation, removal, connection or reinstatement of equipment necessary for a Subscriber to receive Cable Service, and any other receipts from Subscribers derived from operating the Cable System to provide Cable Service, including receipts from forfeited deposits, sale or rental of equipment to provide Cable Service, late charges, interest and sale of program guides. Gross revenues also include all income Licensee receives from the lease of its facilities located in the Public Streets, unless services that the lessee provides over the leased facilities are subject to a transaction privilege tax of the County. Gross revenues do not include revenues from commercial advertising on the Cable System, the use or lease of studio facilities of the Cable System, the use or lease of leased access channels or bandwidth, the production of video programming by Licensee, the sale, exchange, use or cablecast of any programming by Licensee in the County, sales to Licensee's Subscribers by programmers of home shopping services, reimbursements paid by programmers for launch fees or marketing expense, License Fees, taxes, or other fees or charges that Licensee collects and pays to any governmental authority, any increase in the value of any stock, security, or asset, or any dividends or other distributions made in respect of any stock or securities.

1.13. "License Area" means the unincorporated areas of the County.

1.14. "License Fee" means the fee set forth in Section 3 of this License.

1.15. "MDU" means any adjacent building(s) such as apartments under common ownership containing more than four dwelling units used as living quarters.

1.16. "Normal Business Hours" means those hours during which most similar businesses in the community are open to serve Subscribers.

1.17. "Normal Operating Conditions" means those service conditions that are within Licensee's control including, but not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the Cable System. Those conditions that are not within Licensee's control include, but are not limited to,

natural disasters, civil disturbances, utility company power outages, telephone network outages, and severe or unusual weather conditions.

1.18. "Person" means an individual, partnership, association, joint stock company, trust, corporation, limited liability company, or governmental entity.

1.19. "Public Street" has the same meaning as "publicly maintained right-of-way" as defined in County Ordinance # 035-06 Regulating Obstructions, Excavation, and Use of Publicly Maintained Rights-Of-Way (commonly referred to as the Right-of-Way Ordinance), as it may be amended from time to time.

1.20. "Standard Drop" means a cable connection that requires no more than a 125-foot drop measured from the nearest point of a Subscriber's home or place of business to the nearest existing technically feasible point on the Cable System from which an individual Subscriber can be connected to the Cable System. A Standard Drop involves only one outlet and standard materials. A Standard Drop does not include the following (the cost of which may be assessed directly to the Subscriber): (a) a wall fish; (b) custom installation work, including specific Subscriber-requested work that requires non-standard materials or cable routing that requires construction methods exceeding reasonable underground or aerial work; or (c) the cost of any equipment or construction modifications necessary to provide an adequate signal over the Standard Drop to the Subscriber's residence.

1.21. "Subscriber" means any Person lawfully receiving the Cable Services of Licensee's Cable System.

1.22. "Subscriber Complaint" means any written or oral complaint by a Subscriber to the County that the Subscriber did not receive the Cable Service that the Subscriber requested consistent with the requirements of this License.

2. Grant of Authority to Operate; Term.

2.1. Grant of Authority. The County hereby grants to Licensee the right and authority to operate a Cable System in the County and for that purpose to erect, install, solicit, construct, repair, replace, rebuild, reconstruct, maintain, and retain in, on, over, upon, across, and along any Public Streets such poles, wires, cable fiber optics, conductors, ducts, conduit, vaults, manholes, pedestals, amplifiers, appliances, attachments, power supplies, network reliability units, and other property or equipment as may be necessary or appurtenant to the Cable System; and, in addition, so to use, operate, and provide similar facilities or properties rented or leased from other Persons, including but not limited to any public utility or other entity licensed or permitted to do business in the County. Nothing in this License shall be construed to prohibit Licensee from offering any service over its Cable System that is not prohibited by federal or state law.

2.2. Prior Occupancy. Any privilege claimed under this License by Licensee in any Public Street or other public property is subordinate to any (a) prior or subsequent lawful occupancy or use thereof by the County or any other governmental entity, (b) prior lawful occupancy or use thereof by any other Person, and (c) prior easements therein; provided, however, that nothing herein extinguishes or otherwise interferes with property rights established independently of this License.

2.3. Term. This grant of authority runs for a term of fifteen years, effective as of midnight on August 3, 2014, and ending at 11:59 p.m. on August 2, 2029.

3. **License Fee.**

3.1. License Fee. Licensee shall pay to the County a License Fee in an amount equal to three percent (3 %) of Licensee's Gross Revenues during the term of this License.

3.2. Licensee is entitled to offset against License Fees due to the County all other charges and assessments as defined in A.R.S. 9-506(C).

3.3. Payment of License Fees. The payment of the License Fee shall be made quarterly by delivery to the County Administrator on or before the thirtieth day of the month following the end of each calendar quarter, with a fifteen-day grace period. Each License Fee payment shall be accompanied by a written report to the County, verified by an authorized Licensee representative, containing an accurate statement in summarized form of Licensee's Gross Revenues and the computation of the payment amount under Sections 3.1 and 3.2.

3.4. Interest. If License Fees are not paid in accordance with Section 3.3 above, the County may impose interest at a rate equal to the annual base rate of interest published in the Wall Street Journal (Western Edition) from time to time as the "prime rate" (or such other similar publication as County may choose if the Wall Street Journal (Western Edition) ceases to publish such rate) plus one percent commencing from the date payment should have been made in accordance with Section 3.3 above and continuing until the payment is made.

3.5. License Fee Audit.

3.5.1. Upon written notice to Licensee, the County may inspect Licensee's records of Gross Revenues, and the County and Licensee each have the right to audit and to recompute any amounts determined to be payable under this License; provided, however, that such audit must take place within thirty-six months following the close of Licensee's fiscal year for which the audit is desired.

3.5.2. Upon completion of an audit, the County shall provide Licensee with written notice including a copy of the audit report and setting forth any additional amounts due to the County identified in the audit. Licensee shall pay any deficiency within thirty days following such written notice; provided, however, that Licensee will not be required to pay such deficiency until thirty days after completion of the administrative hearing process if Licensee commences such process pursuant to Section 17.2. If there is a deficiency in the payment of License Fees to the County of ten percent or more, the County may assess the cost of the audit to Licensee.

3.5.3. Licensee may recover overpayment(s) of License Fees by taking credits of up to one-hundred percent of each subsequent quarterly License Fee payment due to the County until Licensee has recouped the full amount of the overpayment, without interest.

4. **Services to the County.**

4.1. **Service to County Buildings.** Upon written request from the County Administrator or other authorized individual, Licensee shall provide at no charge Licensee's Basic tier of service to County Buildings.

4.2. **Drops to County Buildings.** If making service available to a County Building requires no more than a Standard Drop, Licensee shall make service available without charge to County Buildings. If making service available to a County Building requires more than a Standard Drop, Licensee will not be required to make such service available unless the County entity requesting such service pays to Licensee an amount equal to the actual, reasonable labor and material costs incurred by Licensee for the additional facilities and work, less Licensee's cost for a Standard Drop. Absent a showing by Licensee to the County Administrator or other authorized individual of unusual circumstances, which include without limitation street crossings or plant extensions, any Standard Drop to any County Buildings shall be accomplished within ten days of the written request for service.

5. **Required Service; System Design and Capacity.**

5.1. **System Design.** The Cable System, as installed, uses a hybrid fiber optic/coaxial cable network. The Cable System is built so that fiber is provided to all neighborhood nodes. Extending from each optic site is radio frequency coaxial cable.

5.2. **System Capacity.** The channel capacity of the Cable System is expandable as future needs arise.

6. **Changes in Cable Technology.**

6.1. **Periodic Meetings.** The County and Licensee will meet upon the written request of either to discuss changes in cable television laws, regulations, technology, competing services, the needs of the community, and other factors impacting cable television. As a result of these discussions, this License may be modified by mutual agreement of the County and Licensee to respond to a change in laws, regulations, technology, competing services, the needs of the community, or other factors affecting cable television.

6.2. **Purpose.** The purpose of the meetings set forth in this Section is to use best efforts to reach mutually acceptable agreement for recommendation to the County Board of Supervisors for proposed action on amendments to this License to relieve the County or Licensee from any commercial impracticability that arises during the term of this License. This Section 6 is intended to facilitate a process whereby the parties may reach a mutually acceptable agreement to amend this License, but does not require that this License be amended.

7. **Line Extension.**

7.1. **Residential Service.** Licensee shall extend its Cable System to serve dwelling units within the County as contemplated in this Section 7.1. Each unit in an MDU is counted as a dwelling unit in determining the residential density, provided a mutually acceptable agreement granting Licensee reasonable access to the MDU has been executed and delivered. Licensee is

not required to make service available to residents of an MDU where the owner of the property has not granted Licensee reasonable access to the property.

7.1.1. When requested by a resident or developer in the County, Licensee shall, at Licensee's sole expense, extend the Cable System to any single family residence or dwelling within the County, provided that such extension involves density of thirty-five existing homes per cable plant mile measured from the nearest technically feasible point of connection on the Cable System, determined by Licensee in its sole discretion.

7.1.2. When a resident or developer in the County requests an extension of service to an area that does not meet the minimum density set forth above in Section 7.1.1, Licensee must comply with such request only if the resident or developer agrees to pay to Licensee an amount equal to all incremental costs incurred beyond those for an extension otherwise involving a density of thirty-five existing homes per mile. The incremental costs to be paid will be Licensee's costs (reasonable labor and materials) of extending the Cable System consistently with Licensee's overall system design to the residence, or to and throughout the development, from the nearest technically feasible point of connection on the Cable System, as determined by Licensee in its sole discretion. The costs will include splicing in one or more taps and extending cable.

7.1.3. Where there is a request by a developer for an extension to a development that does not meet the minimum density test set forth in Section 7.1.1 and where, instead of proceeding under Section 7.1.2, the developer agrees to pay Licensee's full costs (reasonable labor and materials) of extending the Cable System from the nearest technically feasible point of connection on the Cable System to the nearest Public Street access to the development, Licensee shall then extend the Cable System within the development, at Licensee's sole cost, if it has a density of thirty-five existing homes per mile measured from the nearest Public Street access to the development to which the developer elected to pay to have the Cable System extended.

7.1.4. Absent a showing by Licensee to the County Administrator of circumstances beyond Licensee's reasonable control, an extension of service pursuant to Sections 7.1.1, 7.1.2, or 7.1.3 must be accomplished within one hundred twenty days after the developer or resident's written request.

7.1.5. To prevent unnecessary disruption and damage to Public Streets, rights-of-way, and other property, the installation of Cable System must be accomplished in new subdivisions at the same time, and in the same trench as other communications, electric, and other permanent services to structures. Except to the extent that federal law grants them other rights, developers of new residential buildings or mobile homes within a new or undeveloped subdivision, new residential units within new multiple occupancy residential developments, and new commercial and industrial buildings and structures shall treat cable television facilities as they treat other communication facilities, utilities, and other underground facilities, in regards to availability and cost of joint trenching for underground installation.

7.2. Commercial Service. Licensee shall make Cable Services available to commercial establishments as set forth below. Licensee will not be required to make service available to commercial establishments where the owner of the property has not granted Licensee reasonable access to the property.

7.2.1. When requested by the owner of a commercial or residential establishment in the County, Licensee shall, at Licensee's sole expense, extend the Cable System to any commercial or industrial establishment within the County, provided that such extension involves density of one hundred hook-ups per cable plant mile measured from the nearest technically feasible point of connection on the Cable System determined by Licensee in its sole discretion.

7.2.2. When the owner of a commercial or industrial establishment within the County requests an extension of service to an area that does not meet the minimum density set forth in Section 7.2.1, Licensee shall be required to comply with such request only if the owner agrees to pay to Licensee an amount equal to all incremental costs incurred beyond those for an extension otherwise involving a density of one hundred hook-ups per cable plant mile. The incremental costs to be paid will be Licensee's costs (reasonable labor and materials) of extending the Cable System consistently with Licensee's overall system design to the establishment from the nearest technically feasible point of connection on the Cable System, as determined by Licensee in its sole discretion. The costs will include splicing in one or more taps and extending cable.

7.2.3. Absent a showing by Licensee to the County Administrator of circumstances beyond Licensee's reasonable control an extension of service pursuant to Sections 7.2.1 or 7.2.2 shall be accomplished within one hundred twenty days after the owner's execution of any necessary easement documents and/or capital contribution agreements.

8. Service Drops.

8.1. Standard Drop. Licensee shall make Cable Service available to any single family residence or any commercial establishment within the County at the standard connection charge if the connection requires a Standard Drop.

8.2. Non-Standard Drop. If making Cable Service available requires more than a Standard Drop, Licensee will not be required to make such Cable Service available unless the Person requesting such Cable Service pays to Licensee the standard connection charge and an amount equal to the reasonable, actual labor and material costs incurred by Licensee for the additional facilities and work beyond the Standard Drop.

8.3. Bulk Billing. Licensee may offer bulk billing service, but may not require a bulk billing agreement as a condition of providing service, when the Person requesting service pays to Licensee the applicable amount(s) set forth in Section 8.2.

8.4. Timing.

8.4.1. Absent a showing by Licensee to the County Manager of unusual circumstances, including without limitation Public Street crossings, (i) any Standard Drop to a single family residence or dwelling shall be accomplished within ten days of the request for service and (ii) any drop that is not a Standard Drop shall be accomplished within twenty days of such request. When a drop requires a line extension to a residence, the extension shall be accomplished in the time provided in Section 7.1 above.

8.4.2. Absent a showing by Licensee to the County Manager of unusual circumstances, including without limitation Public Street crossings, (i) any Standard Drop to a commercial establishment shall be accomplished within ten days after the owner of such commercial establishment executes any necessary easement documents and capital contribution agreements, and (ii) any commercial drop that is not a Standard Drop shall be accomplished within twenty days after the owner's execution of any necessary easement documents and/or capital contribution agreements. When a drop requires a line extension to a commercial establishment, the extension shall be accomplished in the time provided in Section 7.2 above.

9. **Construction Requirements.**

9.1. **Construction and Technical Standards.**

9.1.1. Licensee shall construct, install, operate, and maintain its system in a manner such that it operates at all times consistent with all laws, the construction standards of the County, and the FCC Rules and Regulations, Part 76 SubPart K (Technical Standards), as amended from time to time. In addition, the County may at any time conduct independent measurements of the Cable System.

9.1.2. Construction, installation, and maintenance of a Cable System shall be performed in an orderly and professional manner. All cables and wires shall be installed, where possible, parallel with and in a manner similar to the installation of electric and telephone lines. Multiple cable configurations shall be arranged in parallel and bundled with due respect for engineering considerations. Installations shall be in conformance with all applicable codes. Licensee must at all time comply with applicable sections of:

9.1.2.1. National Electrical Safety Code (ANSI)C2-1990;

9.1.2.2. National Electrical Code (National Bureau of Fire Underwriters);

9.1.2.3. the Uniform Building Code as may be adopted and amended by the County, together with applicable portions of all other Uniform Codes, as may be adopted and amended by the County, promulgated by the International Conference of Building Officials;

9.1.2.4. County Zoning Code and Subdivision Regulations, all as from time to time amended and revised, and all other applicable rules and regulations now in effect or hereinafter adopted by the County.

9.2. Utility Locating System. License shall participate in the regional one-call utility locating system (Blue Stake).

9.3. Resident Notification of Construction Activity Required. Licensee shall provide reasonable advance notice to all affected residents before system construction crews enter the right-of-way adjacent to their property; provided that Licensee shall not be required to provide such notice in emergencies or for normal system repair and maintenance work.

10. Emergency Service. In accordance with the provisions of FCC Rules and Regulations Part 11, Subpart D, Section 11.51(h)(1), as they may from time to time be amended, Licensee shall install and maintain an Emergency Alert System and shall transmit all Emergency Act Notifications and Emergency Act Terminations relating to local and state-wide situations as may be designated to be an emergency by the Local Primary, the State Primary and/or the State Emergency Operations Center, as those authorities are identified and defined within FCC Rules and Regulations, Part 11.

11. Use of Public Streets.

11.1. Location of Licensee's Property. Any poles, wires, cable lines, conduits, or other properties of Licensee to be constructed or installed in Public Streets shall be so constructed or installed only at such locations and in such manner approved by the County consistent with the County's technical and permitting regulations. Licensee or its authorized contractors will obtain any required permits before any physical work is done in the County's rights-of-way or on County-owned property.

11.2. Undergrounding.

11.2.1. Unless otherwise provided in this License, all new Licensee facilities in the Public Streets or in any public or private easement shall be located in accordance with the County's subdivision regulations, as they may be amended from time to time. Nothing contained in this Section requires Licensee to construct, operate, and maintain underground any ground-mounted appurtenances such as Subscriber taps, line extenders, system passive devices (splitters, directional couplers), amplifiers, stand-by and other power supplies, network reliability units, pedestals, or other related equipment.

11.2.2. If Licensee extends new service into an area that already has available overhead utility poles, then Licensee may use such poles for its facilities, subject to agreement with the pole owner. No underground facilities may be moved to poles. Licensee may not install any poles. Licensee's existing overhead facilities may remain on poles subject to the requirements of Section 11.2.3 below.

11.2.3. Licensee's aerial facilities shall be placed underground as set forth below.

11.2.3.1. Where aerial facilities of other utilities in the same span are placed underground at the cost of such other utility, Licensee shall concurrently (or earlier) place its existing aerial facilities underground at its own expense.

11.2.3.2 Where aerial facilities of other utilities in the same span are placed underground at the cost of the County or a third party, such as a developer, Licensee shall concurrently (or earlier) place its existing overhead facilities underground only if (a) the cost of such undergrounding is paid by the County or such third party and (b) Licensee receives timely notification of the undergrounding of such other utility lines and opportunity to participate in joint trench with such other utility(ies). In the event that Licensee is not notified and given reasonable opportunity to participate in a joint trench with other utility(ies), Licensee will not be required to place its facilities underground at a later date unless the cost of such undergrounding in excess of the cost to participate in the joint trench is borne by the entity charged with providing Licensee notice of the joint trench opportunity. All new underground wires or cable placed by Licensee after the effective date of this License shall be placed in conduit except for service drops.

11.3. Emergency Work. The County reserves the right to move any portion of Licensee's equipment and facilities as may be required in any emergency as determined by the County without liability for interruption of Cable Service. However, before taking any action pursuant to this Section, the County shall provide, whenever feasible, reasonable notice to Licensee of the emergency to allow Licensee the opportunity to protect and repair Licensee's facilities involved in the emergency.

11.4. Temporary Removal for Building Improvements. Licensee, on the written request of any Person holding a building moving permit issued by the County, shall temporarily raise or lower its wires to permit the moving of buildings. The expense of such temporary removal, raising, or lowering of wires shall be paid to Licensee by the Person requesting the same, and Licensee shall have the authority to require such payment in advance. Licensee shall be given not less than ten (10) days advance notice to arrange for such temporary wire changes.

11.5. Changes Required by Public Improvements. Licensee shall from time to time protect, support, temporarily dislocate, temporarily or permanently, as may be required, remove or relocate, any facilities installed, used, or maintained under this License, if and when (a) made necessary by any lawful change of grade, alignment, or width of any Public Street, by the County or (b) made necessary by any County improvement or alteration in, under, on, upon, or about any Public Street, when such improvement or alteration is being conducted by the County for a governmental purpose or is made necessary by traffic conditions, public safety, Public Street vacation, or any other public project or purpose by the County. Such removal or relocation shall be paid for by Licensee; provided, however, that Licensee shall have substantially the same obligations with respect to the cost of such relocation as all other users of the public rights-of-way. If any portion of the removal or relocation costs of other users of the public rights-of-way is being borne by a third party, the County will use its best efforts to work with Licensee and such third party to ensure that the third party bears the cost of removal or relocation of Licensee's facilities to the same extent that it is covering such costs of removal or relocation of the facilities of other users of the right-of-way. To the extent that public funds are available to compensate utilities and other affected rights-of-way users for the costs of such location, Licensee shall be entitled to receive such funds on an equal basis with all other utilities and users.

11.6. Street Repair. If Licensee causes damage to pavement, sidewalks, driveways, landscaping, or other property during construction, installation, or repair of its facilities, Licensee or its authorized agent shall replace and restore such places as nearly as may be possible to the condition that existed before the damage occurred. All repair and restoration necessary to meet the requirements set forth in this Section shall be at Licensee's expense and in a manner acceptable to the County.

11.7. Permitting.

11.7.1. For all permits applied for by Licensee, the County agrees to act timely and in any event in accordance with any timelines established by the County for permit issuance. Where Licensee identifies changes after the issuance of a permit and during construction, Licensee shall apply for a permit revision as required by County guidelines; provided, however, that upon the approval of the County inspector Licensee may continue construction while waiting for approval of the revised permit.

11.7.2. To facilitate coordination with the County on review, prioritizing and issuance of permits, and any payments therefore, Licensee shall apply for and process permits through a centralized office of Licensee established for that purpose. When this office identifies to the County a non-emergency but atypically time-sensitive permit that requires processing and issuance more surely or swiftly than under County's customary timelines, County agrees to use its best efforts to review and issue the permit on the expedited basis requested by Licensee. Licensee and County agree to coordinate to develop procedures for this expedited process and for regular quarterly, or at other intervals, mutual review of the process, its use and the effects on both parties.

11.7.3. Upon the Effective Date of this License the County shall grant to Licensee a maintenance permit for a period of one year. This maintenance permit shall cover Licensee's access to its existing facilities within the License Area for the performance of work by Licensee where no excavation is involved. Work covered by this annual maintenance permit would include, but not be limited to, splicing in existing vaults, installation of underground cables in existing conduit structure, access to aerial facilities including maintenance, repair, replacement of existing cable, aerial splicing, and the placement of new aerial cable and strand in accordance with the terms of this License. While performing work under this maintenance permit, Licensee shall comply with all requirements of the County regarding traffic control, providing advance notice to the County, and related matters. This annual maintenance permit shall be automatically renewed on each anniversary of the Effective Date of this License.

11.7.4. Upon the Effective Date of this License the County shall grant to Licensee an emergency permit covering Licensee's access to its existing facilities within the License Area in order to perform work necessary for the repair of major outages affecting Cable Services. While performing work under this maintenance permit, Licensee shall comply with all requirements of the County regarding traffic control, providing notice to the County no later than the next business day following the commencement of said work, and related matters. This emergency permit shall be automatically renewed on each anniversary of the Effective Date of this License.

12. **Subscriber Service Provisions.**

12.1. **Subscriber Service Standards.** Licensee shall at all times satisfy FCC customer service standards, as amended from time to time by the FCC.

12.2. **Billing Practices.** Licensee shall bill all Subscribers to its Cable System in a uniform manner, regardless of a Subscriber's level of service. In no case may any Subscriber be billed for service more than thirty days before receipt of such service. Payment may be due no sooner than the fifteenth day of each billing period, and the due date shall be listed on each bill. Bills shall be mailed no later than the first day of the billing period.

12.3. **Subscriber Complaint Procedures.** Licensee shall comply with the following Subscriber Complaint procedures.

12.3.1. Licensee shall ensure that all Subscribers have recourse to a satisfactory process to submit complaints. Licensee shall respond to all Subscriber Complaints within a reasonable time. Licensee shall follow a written internal appeal procedure for disputes over Subscriber Complaints.

12.3.2. Licensee shall establish and maintain a written log listing all Subscriber Complaints. The written log shall include the name and telephone number, if given, of the Subscriber making the complaint and Licensee's action on the complaint. The log shall be maintained by Licensee for three years and, to the extent permitted by federal law, shall be available to the County Administrator and the public for inspection upon request during Licensee's Normal Business Hours.

12.3.3. Licensee shall provide, in writing, upon request of the County Manager, details from its written log relating to any Subscriber Complaint.

12.4. **Subscriber Solicitation Procedures.**

12.4.1. All Licensee personnel, agents, and representatives, including subcontractors, shall wear a cable uniform or clearly display a photo-identification badge when acting on behalf of Licensee in the County.

12.4.2. Licensee shall afford each Subscriber of the Cable System a three-day right of rescission for ordering installation of Cable Service from the Cable System provided that such right of rescission will end when physical installation of Cable System equipment on such Subscriber's premises begins.

12.5. **Disconnection and Termination of Cable Services.** Licensee shall only disconnect or terminate a Subscriber's Cable Service for good and just cause. In no event may Licensee disconnect Cable Service for nonpayment without prior written notification to the affected Subscriber at least seven days before such disconnection or termination. In no event may such disconnection or termination for nonpayment occur in less than thirty days after a Subscriber's failure to pay a bill when due. If Licensee improperly discontinues Cable Service to any such Subscriber, upon request it shall provide free reconnection to the Cable System to such Subscriber.

12.6. Rights of Individuals. Licensee may not deny Cable Service, deny access, or otherwise discriminate against Subscribers, channel users, or general citizens on the basis of race, color, religion, national origin, sex, age, or disability; provided, however, that Licensee may not be required to provide Cable Services to any Person who does not pay the applicable line extension connection fee, fees for drops in excess of Standard Drops, and/or Cable Service charge(s). Licensee shall comply at all times with all other applicable federal, state, and local laws and regulations, as amended from time to time, relating to nondiscrimination.

13. **Inspection of Records.**

13.1. Inspection of Records. At all reasonable times as related to determination of License compliance, Licensee shall permit any duly authorized representative of the County to examine any and all financial records kept or maintained by Licensee or under its control that reasonably relate to Licensee's accurate payment of License Fees.

13.2. Scope of Information. Unless otherwise specified, all of Licensee's recordkeeping and disclosure obligations include and are limited to information that reasonably relate to Licensee's accurate payment of License Fees. This does not include personally identifiable Subscriber information without the Subscriber's consent in violation of Section 631 of the Cable Communications Policy Act of 1984, as amended, 47 U.S.C. Section 551.

13.3. Maps. Licensee shall at all times make and keep full and complete plans and records showing the exact location of all Cable System. Upon request, Licensee shall provide the County with route maps or sets of maps drawn to scale, showing the location of their respective underground and above ground facilities.

14. **Indemnification.**

14.1. Indemnification. Licensee agrees to defend, indemnify, and hold harmless the County, its officers, boards, and employees, as set forth in County Ordinance # 035-06 Regulating Obstructions, Excavation, and Use of Publicly Maintained Rights-Of-Way (commonly referred to as the Right-of-Way Ordinance), as it may be amended from time to time. Notwithstanding the foregoing, Licensee shall not indemnify the County for any damages, liability, or claims resulting from the willful misconduct or negligence of the County.

14.2. Procedure. In the event that a third-party claim is made or third-party suit is filed for which the County intends to seek indemnification from Licensee pursuant to Section 14.1 above, the County shall promptly notify Licensee of said claim or suit. Licensee shall have the right to control, through counsel of its choosing, the defense of such third-party claim or suit, but may compromise or settle the same only with the consent of the County, which consent shall not be unreasonably withheld. The County shall cooperate with Licensee and its counsel in the defense of any such claim or suit and shall make available to Licensee any books, records or other documents necessary or appropriate for such defense. The County shall have the right to participate at its expense in the defense of any such claim or suit through counsel of its own choosing.

15. **Insurance.** Licensee shall maintain in full force and effect, at no cost and expense to the County, during the term of this License, commercial general liability insurance in the amount of one million dollars combined single limit for bodily injury and property damage. The County shall be designated as an additional insured. Such insurance will not be cancelable except upon thirty days prior written notice to the County. Licensee shall provide a certificate of insurance showing evidence of the coverage required by this Section.

16. **Notice of Violation; Right to Cure or Respond.** In the event that the County believes that Licensee has not complied with the terms of this License, the County shall informally discuss the matter with Licensee. If these discussions do not lead to resolution of the issue, the County shall notify Licensee in writing of the exact nature of the alleged noncompliance. Licensee shall have thirty days from receipt of the notice of violation: (a) to respond to the County, contesting the assertion of noncompliance; (b) to cure such default; or (c) if, by the nature of default, such default cannot be cured within the thirty-day period, initiate reasonable steps to remedy such default and notify the County of the steps being taken and the projected date that they will be completed.

17. **Public Hearing.**

17.1. **Scheduling; Notice.** If Licensee fails to respond to the notice described in Section 16 pursuant to the procedures set forth therein, or if the alleged default is not cured within thirty days after the date projected pursuant to Section 16(c) above, if it intends to continue its assertion of, and investigation into, the alleged default, then the County shall schedule a public hearing to investigate the default. The County shall provide Licensee at least ten days' prior written notice of such hearing, which notice shall specify the time, place and purpose of such hearing. At such hearing, Licensee shall be provided a full and fair opportunity to be heard.

17.2. **Contesting an Audit.** Within fifteen days after notice from Licensee that it contests an audit determination of License Fees under Section 3.5.2, the County Administrator shall schedule an administrative hearing. This shall be a public hearing, and Licensee shall be afforded full due process of law, including, without limitation, an opportunity to be heard, to present evidence, and to cross examine witnesses. Within fifteen days after the conclusion of such hearing, the County shall issue a determination.

18. **Enforcement.** Subject to applicable federal and state law, if, after the hearing set forth in Section 17, the County determines that Licensee is in default of any provision of this License, the County may (a) seek specific performance of any provision that reasonably lends itself to such remedy, as an alternative to damages; (b) commence an action at law for monetary damages or seek other equitable relief; (c) in the case of a substantial default of a material provision of the License, seek to revoke the License in accordance with Section 19. Licensee may appeal such determination of the County to an appropriate court, which shall have the power to review the decision of the County de novo if such review is within the jurisdiction of the court.

19. **Revocation.**

19.1. **Notice; Response.** If the County seeks to revoke this License after complying with the procedures set forth in Sections 16 through 18 above, the County shall give written notice to Licensee of its intent to revoke this License on the basis of a pattern of noncompliance by Licensee, which must include one or more instances of substantial noncompliance with a material provision of this License. The notice shall set forth the exact nature of the noncompliance. Licensee shall have ninety days from such notice to object in writing and to state its reasons for such objection. If the County does not receive a satisfactory response from Licensee, it may then seek termination of this License at a public hearing. The County shall cause to be served upon Licensee, at least thirty days before such public hearing, a written notice setting forth the time and place of such hearing and stating its intent to revoke this License.

19.2. **Hearing.** At the designated hearing, the County shall give Licensee a full and fair opportunity to state its position on the matter, including without limitation the right to introduce evidence, to require the production of evidence, to question witnesses, and to obtain a transcript of the proceeding, after which the County shall determine whether or not this License will be revoked.

19.3. **Other Action.** The County may, at its sole discretion, take any lawful action that it deems appropriate to enforce the County's rights under this License in lieu of revocation of this License.

19.4. **Appeal.** Licensee may appeal any determination of the County to an appropriate court, which shall have the power to review the decision of the County de novo if such review is within the jurisdiction of the court.

20. **Effect of Expiration, Revocation, or Termination of License.**

20.1. **Continuity of Service.** It is the right of all Subscribers to continue receiving Cable Service as long as their financial and other obligations to Licensee are honored. If this License expires or terminates, Licensee shall cooperate with the County to ensure continuity of Cable Service to all Subscribers for a period not to exceed ninety days. Said period may be extended by written agreement between the County and Licensee. During such period, Licensee shall be entitled to the revenues for operating the Cable System.

20.2. **Other Services.** Upon expiration, revocation, or termination of this License for any reason, Licensee shall have one hundred eighty days from the date of expiration, revocation, or termination to enter into good faith negotiations with the County or other governmental authority to obtain a license, permit, or other approval or agreement that may then lawfully be required in order to allow Licensee to continue using Licensee's facilities in the Public Streets for any lawful service other than Cable Service that Licensee may then provide over its facilities in the License Area.

20.3. **Holding Over.** In any circumstance whereby Licensee would continue to occupy the Public Streets after the expiration of this Agreement, such holding over shall be deemed to operate as a renewal or extension of this Agreement on a month-to-month basis that may be

terminated at any time by the County upon sixty days' written notice to Licensee, or by Licensee upon sixty days' written notice to the County.

21. **Transfer.**

21.1. **Prior Consent.**

21.1.1. Except as otherwise set forth below, Licensee's right, title, or interest in this License may not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with Licensee, without the prior consent of the County, such consent not to be unreasonably withheld. No consent is required for (a) a transfer to an entity controlling, controlled by, or under common control with Licensee or (b) a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of Licensee in the License or Cable System in order to secure indebtedness.

21.1.2. Within thirty days after receiving request for consent to a transfer for which County consent is required, the County shall notify Licensee in writing of any additional information it reasonably requires to determine the legal, financial, and technical qualifications of the transferee. If the County has not taken action on Licensee's request for transfer within one hundred twenty days after receiving such request, consent by the County will be deemed given.

21.2. **Grant, Rent, or Lease.** As long as a grant, rent, or lease of all or a portion of the Cable System does not amount to a transfer, Licensee in the normal course of providing Cable Services or other services such as telecommunications and information service over the Cable System may grant, rent, or lease use of the Cable System to other Persons. Any use by such persons shall be restricted to and consistent with such uses as Licensee or such person is authorized in this License or under other applicable law. Any such use shall be in compliance with applicable federal and state law. No such grant, rent or lease by Licensee will, however, relieve Licensee of any requirement or obligation under this License as to its use of the Public Streets.

22. **Controlling Authorities.**

22.1. **Local Ordinances.** Licensee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations placed upon Licensee that are contained in this License. In the event of a conflict between any ordinance or County Code provision and this License, this License shall control.

22.2. **Federal and State Laws.** This License is subject to and shall be governed by all requirements of the Cable Act; Arizona Revised Statutes Sections 9-505 through 9-510, as amended; and other federal and state laws and regulations governing cable communications. In a conflict between the terms and conditions of this License and the terms and conditions on which the County can grant a license, federal and state law shall control.

23. **Licensee's Representations and Warranties.**

23.1. Authority. Licensee represents and warrants that it has the power and authority to enter into this License by and through the representative who has signed this License on its behalf, and that it has the power and ability to do all the acts required of it by this License.

23.2. Misrepresentation. Licensee has not misrepresented or omitted material facts, has not accepted this License with intent to act contrary to the provisions herein, and represents and warrants that, as long as it operates the Cable System, it will be bound by the terms and conditions of this License or a subsequently issued license.

23.3. Attorneys. Licensee further acknowledges that it was represented throughout the negotiations of this License by its own attorneys and had opportunity to consult with its own attorneys about its rights and obligations regarding this License.

24. **Confidentiality.**

24.1. Protection of Confidential Information. To the fullest extent permitted by law, the County agrees to treat on a confidential basis any Confidential Information disclosed by Licensee to the County. The County shall not use the Confidential Information for any purpose whatsoever other than in connection with its rights and obligations under this License. The County shall safeguard the Confidential Information using measures that are equal to the measures used to safeguard its own confidential information of comparable value, but in no event less than reasonable care.

24.2. Disclosure to Representatives. Disclosure of Licensee's Confidential Information by the County shall be limited to only those of its employees, representatives, or agents that have a need to know, and that are in a confidential relationship with the County, who are informed by the County of the confidential nature of the Confidential Information, and who agree to act in accordance with the terms and conditions of this Section.

24.3. Disclosure Required by Law. In the event that the County becomes legally compelled to disclose any of the Confidential Information, the County shall provide Licensee with prompt notice so that Licensee may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Section. In the event that such protective order or other remedy is not obtained, or that Licensee waives compliance with the provisions of this Section, the County shall furnish only that portion of the Confidential Information that the County is advised by opinion of counsel is legally required and the County shall exercise its best efforts to obtain reliable assurance that confidential treatment shall be accorded the Confidential Information by the person to whom it is disclosed.

25. **Miscellaneous.**

25.1. Filings. When not otherwise prescribed herein, all matters herein required to be filed with the County shall be filed with the office of the County Clerk.

25.2. Force Majeure.

25.2.1. Licensee shall not be held in default under, or in noncompliance with, the provisions of this License, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation, or revocation of this License) where such alleged noncompliance or default occurred or was caused by an act of God, an act or omission of governmental military or civilian authority, strike or lockout, riot, epidemic or quarantine, war, earthquake, fire, flood, tidal wave, unusually severe rain, wind, or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, terrorist acts, governmental, administrative or judicial order or regulation or other circumstances that could not have been avoided through Licensee's exercise of reasonable care, prudence and diligence. This provision includes work delays caused by waiting for utility providers to service or monitor their own above-ground or underground facilities to which Licensee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

25.2.2. Furthermore, the parties hereby agree that it is not the County's intention to subject Licensee to penalties, fines, forfeitures, or revocation of the License for so-called "technical" breach(es) or violation(s) of this License, which include but are not limited to the following: (i) in instances or for matters where a violation or a breach by Licensee of the License was good faith error that resulted in no or minimal negative impact on the Subscribers within the License Area or (ii) where strict performance with the terms of the License would result in practical difficulties and hardship to Licensee that outweigh the benefit to be derived by the County and/or Subscribers.

25.3. Severability. If any Section, sentence, paragraph, term, or provision of this License or any ordinance, regulation, law, or document incorporated herein by reference is held to be illegal, invalid, unconstitutional, or unenforceable, by the decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions hereof all of which shall remain in full force and effect for the term of this License.

25.4. Notice. Unless otherwise provided for in this License, all notices to be given hereunder shall be given in writing and may be hand delivered or given by certified first class mail, postage prepaid addressed to the parties at the addresses set forth below. Such notices will be deemed served and effective when delivered to the designated persons listed below during ordinary business hours or on the date of delivery by U.S. Mail registered or certified return receipt requested.

To Licensee:

Cox Communications Arizona, LLC
1550 West Deer Valley Road
Building C
Phoenix, Arizona 85027
Attn: Senior VP & GM

With a copy, which is not notice, to:

Cox Communications, Inc.
1400 Lake Hearn Drive
Atlanta, Georgia 30319
Attn: Legal Department

To the County:

Cochise County Administrator
1415 Melody Lane
Bisbee, Arizona 85603

25.5. Governing Law; Venue. The provisions of this License are subject to applicable federal law, including but not limited to the Cable Act and the rules, regulations, and orders of the FCC, and are also subject to state law not in conflict with such federal law. In the event of any conflict between the provisions of this License and such state or federal law, the provisions of such state or federal law shall prevail. Proper venue is in the Superior Court of Cochise County or the United States District Court for the District of Arizona.

25.6. Headings. The headings contained herein are intended solely to facilitate the reading thereof. Such headings shall not affect the meaning or interpretation of the text herein.

25.7. Integration; Acquired Licenses. This License constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, understanding, negotiation, drafts, discussion outlines, correspondence, memoranda, or otherwise regarding the subject matter hereof. This License hereby preempts and cancels any other license agreements granted by the County that are acquired by Licensee through the purchase or acquisition of other Cable Systems and/or cable operators. Upon completion of an acquisition the terms of this License shall govern Licensee's newly acquired Cable System(s) or cable operation(s).

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have affixed their signatures to this nonexclusive license agreement on the dates written below to be effective on the date first set forth above.

COCHISE COUNTY:

LICENSEE:

Chair, Board of Supervisors

Date

VP and System Manager, Southern Arizona

Cox Communications Arizona, LLC

Date

ATTEST:

Clerk of the Board of Supervisors

Date

APPROVED AS TO FORM:

Deputy County Attorney

Date